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MEDICAID MEMO

TO: Medicaid Health Care Providers Participating in the
Virginia Medicaid Program, including Managed Care
Organizations

FROM: Patrick W. Finnerty, Director
Department of Medical Assistance Services (DMAS)

MEMO Special
DATE 02/27/2006

SUBJECT: Implementation of the National Provider Identification Number (NPI):
Typical
Anticipated Initial Implementation Date: January 1, 2007

This is an information only Medicaid Memorandum; its purpose is to inform providers of a federal mandate, resulting from the Health Insurance Portability and Accountability Act (HIPAA), which requires HIPAA covered health care providers to obtain and use a NPI in lieu of any other provider identification number(s) for all standard transactions. DMAS must comply with this federal legislation and will implement the use of a NPI as required by law by the May 23, 2007 deadline set by the Secretary of Health and Human Services. Providers will be required to obtain and use a NPI in order to continue participating with the Virginia Medicaid Program after this date.

In addition to requiring Medicaid providers to obtain and use a NPI for electronic transactions, DMAS will be extending this requirement to all Medicaid transactions, including paper claims submissions, the Provider Call Center, the automated voice response system for eligibility and claims status (MediCall), and the web-based automated response system. DMAS will also be extending this NPI requirement to all Medicaid providers not considered health care providers under this legislation (atypical providers). These Medicaid enrolled "atypical" providers (personal care providers, respite care providers, etc.) will be notified in a separate memorandum.

DMAS strongly recommends that providers obtain a NPI as soon as possible by contacting the National Plan and Provider Enumeration System (NPPES) at 1-800-465-3203 or online at <https://nppes.cms.hhs.gov>. DMAS plans to begin allowing the dual use of both the NPI and the provider's current Medicaid identification number by January 1, 2007.

DMAS will be sending out memoranda to all Medicaid providers over the coming months describing the DMAS NPI transition process as well as key milestones and will continually

update its website (www.dmas.virginia.gov). DMAS will also be using this opportunity to eliminate incorrect and outdated information on current provider files to ease the way for this federally mandated NPI transition. Providers will be receiving written information from the First Health Provider Enrollment Unit identifying the current demographic information DMAS has for every provider number and will be asking providers to respond in a timely manner to validate the DMAS database. It is extremely important that providers do so to make this transition process as smooth as possible. In addition, the First Health Provider Enrollment Unit will be requesting provider NPI number(s) to create a crosswalk to a provider's old Medicaid identification in the fall of 2006.

It is the intention of DMAS to make sure that this transition is deliberate and thorough. DMAS will make every attempt to clearly communicate to providers what will be required of them and will reduce, as much as possible, any burden this federal requirement places on a provider's ability to participate with DMAS. Giving attention to these pending changes will ensure that provider claims will continue to be paid timely and accurately in the future.

ELIGIBILITY AND CLAIMS STATUS INFORMATION

DMAS offers a web-based Internet option (ARS) to access information regarding Medicaid or FAMIS eligibility, claims status, check status, service limits, prior authorization, and pharmacy prescriber identification. The website address to use to enroll for access to this system is <http://virginia.fhsc.com>. The MediCall voice response system will provide the same information and can be accessed by calling 1-800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider.

COPIES OF MANUALS

DMAS publishes electronic and printable copies of its Provider Manuals and Medicaid Memoranda on the DMAS website at www.dmas.virginia.gov. Refer to the Provider Column to find Medicaid and SLH (State and Local Hospitalization Program) Provider Manuals or click on "Medicaid Memos to Providers" to view Medicaid Memoranda. The Internet is the most efficient means to receive and review current provider information. If you do not have access to the Internet or would like a paper copy of a manual, you can order it by contacting Commonwealth-Martin at 1-804-780-0076. A fee will be charged for the printing and mailing of the manuals and manual updates requested.

PROVIDER E-NEWSLETTER SIGN-UP

DMAS is pleased to inform providers about the creation of a new Provider E-Newsletter. The intent of this electronic newsletter is to inform, communicate, and share important program information with providers. Covered topics will include changes in claims processing, common problems with billing, new programs or changes in existing programs, and other information that may directly affect providers. If you would like to receive the electronic newsletter, please sign up at www.dmas.virginia.gov/pr-provider_newletter.asp.

Medicaid Memo: Special

February 27, 2006

Page 3

Please note that the Provider E-Newsletter is not intended to take the place of Medicaid Memos, Medicaid Provider Manuals, or any other official correspondence from DMAS.